

Water Management Strategy



Memorandum

Date: April 29, 1999

To: BDAC Members

From: Lester A. Snow
Executive Director

Subject: Water Management Strategy

CALFED staff, agencies, and stakeholders are continuing to work on development of the Water Management Strategy using an adaptive combination of all of the available tools. During the past month, the work has focused on refining the water supply reliability objectives contained in the December 1998 *Revised Phase II Report* and on continued economic evaluation of water management alternatives (EEWMA). Since these efforts are still underway, CALFED staff will present more detail at the May 12, 1999 BDAC meeting.

Water Supply Reliability Objectives - Work is continuing on refinement of the objectives contained in the *Revised Phase II Report*. While the text descriptions are not complete, the following provides a sense of how the objectives could be consolidated into approximately three objectives with subobjectives:

- Improve access to existing or new water supplies, in an economically efficient manner, for environmental, urban and agricultural beneficial uses.
 - Use existing water supplies more efficiently
 - Secure reliable water supplies to achieve Ecosystem Restoration Program objectives
 - Assist water users in mitigating current or anticipated impacts of regulatory actions and other changes in water supply availability
- Improve flexibility of managing water supply and demand in order to reduce conflicts between beneficial uses, improve access to water supplies, and decrease system vulnerability.
 - Shift timing of diversions and exports to less biologically sensitive time periods

CALFED Agencies

California The Resources Agency
 Department of Fish and Game
 Department of Water Resources
California Environmental Protection Agency
State Water Resources Control Board

Federal Environmental Protection Agency
 Department of the Interior
 Fish and Wildlife Service
 Bureau of Reclamation
 U.S. Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Department of Commerce
National Marine Fisheries Service

- Increase ability to interrupt or shift exports and diversions in rapid response to unforeseen biological or hydrological conditions or other circumstances
- Increase the utility of available water supplies through targeted improvements in water quality.
 - Reduce TDS in Delta water supply, overall and at sensitive periods, to increase blending of supplies from Delta and non-Delta sources
 - Reduce TDS in Delta water supply, overall and at sensitive periods, to allow for increased opportunities for recycling
 - Reduce TDS in Delta export water supply in order to reduce need for additional treatment of industrial process water

Economic Evaluation of Water Management Alternatives - Work is continuing on the EEWMA. One of the main purposes of the EEWMA is to define how policy assumptions and preferences could affect the selection of water management tools. Sets of policy assumptions and preferences are continually being refined as additional input and information is received from stakeholders. Based on preliminary economic analyses, some general observations can be made:

- Most policy assumption and preference sets result in similar arrays of available water management tools except when tools are specifically excluded.
- There does not appear to be significant opportunity for obtaining water from land fallowing when realistic price markups for the water are considered.
- Due to relatively flat water supply vs. cost relationships, there may be little economic justification to implement some water management tools prior to others.

This memorandum is provided as a progress report and no BDAC action is required.